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November 14, 2012

Transmitted by Electronic Mail and U.S. Postal Service

Mr. Douglas R. Kramer, Chief Energy and Natural Resources Bureau United States Department of State Room 4843 2201 C Street, NW Washington, D.C. 20520

Re: Application for New Presidential Permit to Reflect Name Change

Dear Mr. Kramer:

Kinder Morgan Cochin, LLC, a Delaware limited liability company ("KM Cochin"), with its principal office at 500 Dallas Street, Suite 1000, Houston, TX 77002, files this application for a new Presidential Permit, pursuant to Executive Order 13337 of April 30, 2004, to reflect a name change in the ownership of the cross-border petroleum pipeline known as the Cochin Pipeline. This pipeline was acquired by KM Cochin as a common carrier for the purpose of continuing to transport light liquid hydrocarbons at the international boundary line between the United States and Canada at a point in Renville County, North Dakota, as authorized by the Presidential Permit previously issued to the prior owner of the Cochin Pipeline. KM Cochin seeks this new Permit because it intends to continue to operate and maintain the Cochin Pipeline in a manner that is substantially unchanged from the terms of the existing permit.

The existing Presidential Permit ("Permit"), Number 74/11338, was issued by the Department of State to Dome Pipeline Corporation, a Delaware Corporation, ("Dome Pipeline") on September 5, 1974, a copy of which attached to this application as Attachment 1, granting Dome permission to:

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> "....construct, operate and maintain a pipeline as a common carrier for the transport of light liquid hydrocarbons across the international boundary line between the United States and Canada at a point in Renville County, North Dakota, and to connect that pipeline with like facilities in Canada."

Dome Pipeline built, operated and maintained the pipeline pursuant to the 1974 Permit from the date the Permit was issued until March 15, 2007, when Dome Petroleum Corp., a North Dakota corporation with principal offices in Bismarck, North Dakota, sold Dome Pipeline, its former subsidiary, to Kinder Morgan Operating L.P. "A" ("KMOLPA"), a Delaware limited partnership and affiliate of Kinder Morgan Energy Partners LP, ("KMP"), a Delaware limited partnership, both with principal offices in Houston, Texas. Following the sale, Dome Pipeline was converted from a Delaware corporation to a Delaware limited liability company and merged into KM Cochin, which is now the legal name of the former Dome Pipeline Corporation. Since March 15, 2007, KM Cochin has owned, operated and maintained the Cochin Pipeline in compliance with all the terms and conditions of the previously-issued Permit.

Because of the above described transfer of ownership of the Cochin Pipeline to KM Cochin it is necessary for KM Cochin, the transferee, to obtain a new Permit reflecting the name change. According to the Federal Register notice issued on May 31, 2005, transferee entities are required to submit applications for new permits which contain "information explaining the nature of the entity, its ownership, its place of incorporation or organization, information concerning its acquisition of relevant facility, bridge or border crossing from the prior permit holder and any other relevant information concerning its operation of the facility, bridge or border crossing." (70 Fed. Reg. 30990). In addition, the notice provides that if the "transferee commits to abiding by the relevant terms and conditions of the previously-issued permit and further indicates that the operations of the relevant facility, bridge or border crossing will remain essentially unchanged from that previously permitted, the Department of State, pursuant to 22 CFR 161 .7(b)(3), does not intend to conduct an environmental review of the application under its regulations implementing the National Environmental Policy Act, 22 CFR part 161, unless information is brought to its attention in connection with the application process that the transfer potentially would have a significant impact on the quality of the human environment."

This application addresses only the Presidential Permit for that portion of the Cochin Pipeline that crosses the international boundary line in North



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Dakota, and has no bearing upon the pending, "stand-alone" application submitted in 2010 for a new Presidential Permit for the Cochin crossing of the international boundary line at the Detroit River in Michigan. Accordingly, and pursuant to the requirements set forth in the Federal Register, as noted above, KM Cochin provides the following information:

- (1) KM Cochin is a Delaware limited liability company with its principal office at 500 Dallas Street Suite 1000, Houston, TX 77002. It is engaged in the interstate, intrastate and international transportation by pipeline of light liquid hydrocarbons, including transportation of light liquid hydrocarbons between the U.S. and Canada on the Cochin Pipeline at the North Dakota border crossing. KM Cochin is an indirectly wholly owned subsidiary of KMP, a Delaware master limited partnership listed on the NYSE as "KMP", with its principal office at 500 Dallas Street, Suite 1000, Houston, TX 77002. The general partner of KMP is Kinder Morgan G.P., Inc., ("KMGP") a Delaware corporation, which is owned by Kinder Morgan, Inc., ("KMI", as listed on the NYSE), a Delaware corporation. KMP is owned by KMI through common and class B limited partner units, by KMG though its 1% general partner interest, and by public investors as limited partners holding common units purchased on the NYSE. The relationship between KMI, KMGP, KMP and KM Cochin is shown in Attachment 2.
- (2) On March 15, 2007, KMP, through its affiliate KMOLPA, acquired Dome Pipeline Corporation, a Delaware corporation wholly owned by Dome Petroleum Corp., a North Dakota corporation. Dome Pipeline Corporation was engaged in the interstate, intrastate and international transportation by pipeline of light liquid hydrocarbons, including transportation of light liquid hydrocarbons between the U.S. and Canada on the Cochin Pipeline at the North Dakota border crossing. Dome Pipeline Corporation was the prior holder of the Permit issued in 1974.
- (3) The Cochin Pipeline has been transporting light liquid hydrocarbons through the North Dakota border crossing since 1974 to the present, pursuant to the authority, terms and conditions of the 1974 Permit, including in particular the authorization to maintain this pipeline "for the transport of light liquid hydrocarbons across the international boundary line between the United States and Canada....". Under KM Cochin's ownership, there have been no substantial changes in the operations of the Pipeline from those operations authorized in the Permit issued to Dome Pipeline in 1974. Moreover, the anticipated future operations of the Cochin Pipeline at the border crossing will remain essentially unchanged from operations authorized in the previously-



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issued Permit. KM Cochin is engaged in its Cochin Reversal Project, which will include an interconnection with another pipeline and storage facilities in Kankakee County, Illinois, elimination of some block valves and the reversal of flow to enable the transportation of light liquid hydrocarbons ("condensate") from Illinois to Alberta, Canada. This undertaking calls for Cochin to be operated in substantially the same manner as authorized in the 1974 Permit, transporting light liquid hydrocarbons between the United States and Canada. All of the activities involved in the development of the Cochin Reversal Project are authorized by the existing Permit, and could have been accomplished by Cochin's former owner without any amendment of that 1974 permit.

- The Cochin Pipeline is a 1,819 mile, 12" diameter pipeline that originates in Ft. Saskatchewan, Alberta and terminates at Windsor, Ontario. The pipeline crosses from Canada into the United States near Sherwood, ND and although of no consequence to this application, crosses back into Canada at Detroit, MI (see the Cochin Pipeline system map in Attachment 3). The pipeline traverses terrain that is almost entirely rural, in agricultural use. Pump stations are spaced approximately every sixty miles along the system. The pipeline has isolation (block) valves located about 10-15 miles apart along its length. The first isolation valve south of the Canadian border is located at milepost 636, or about 14.5 miles south of the border (see Attached 4, Aerial Image at Milepost 636; and Attachment 5, Cochin Pipeline Alignment Drawings). Currently, the pipeline is used to move propane from Alberta to distribution terminals in the United States and at Windsor. Reversal project will involve the construction a new tank farm and pump station near Kankakee, IL, at the point where the Cochin Pipeline will connect with the Explorer Pipeline. The project will also involve the reversal of 25 pump stations, the removal of 92 check valves and the installation of remote control capability on 92 block valves, all of which will take place on existing Cochin Pipeline right of way. When the project has been completed, shippers will be able to ship condensate from the Kankakee facility westward for delivery into Canada.
- (5) KM Cochin hereby commits that it will abide by the terms and conditions of the Permit previously issued to Dome Pipeline, and the operations of the Pipeline will remain essentially unchanged from that which was authorized by the previously-issued Permit.
- (6) The Cochin Pipeline conducts a significant amount of energy transportation commerce between the United States and Canada, and is a vital international pipeline system for KMP, a leading pipeline transportation and



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energy storage company in North America. KMP and its consolidated subsidiaries own an interest in or operate approximately 53,000 miles of pipelines and 180 terminals. KMP pipelines transport natural gas, refined petroleum products, crude oil, carbon dioxide and other products, and its terminals store petroleum products and chemicals, and handle such products as ethanol, coal, petroleum coke and steel. KMP is also the leading producer and transporter of carbon dioxide, commonly called CO2, for enhanced oil recovery projects in North America. KM Cochin, like all the business units in KMP, is sensitive to its customers needs in often rapidly changing energy markets. In the case of the Cochin Pipeline, KM Cochin conducted an open season commencing on April 24, 2012 and concluding on May 31, 2012, seeking financial commitments from its shippers to support the investment of over \$160 million for interconnection with another pipeline, storage tanks, and other investments required for moving light condensates from Kankakee County, Illinois to Ft. Saskatchewan, Alberta. The Open Season was a complete success and demonstrated the need for the Cochin Reversal Project, which can be operated under the authorization of the existing Presidential Permit. This project will contribute a great amount of economic activity and benefits for the State of Illinois and will increase commerce between the energy sectors of the United States and Canada. The Federal Energy Regulatory Commission granted KM Cochin's Petition for Declaratory Order on October 22, 2012, approving KM Cochin's proposal for rates and tariffs applicable to the The Commission found that KM Cochin had Cochin Reversal Project. demonstrated a demand for transportation of light condensate from the United States to Canada, had conducted an Open Season to provide an appropriate amount of pipeline capacity for all interested shippers, and had designed local and international joint tariffs that satisfy the Commission, to be supported by appropriate rulings by the National Energy Board in Canada. The economic benefits that the project would bring to the United States, as well as the increase in commerce between the United States and Canada that meets the needs of customers in energy markets and is consistent with United States national energy goals, altogether demonstrate that granting this application for a new Presidential Permit with the name change and continued transportation of condensate under the same authority granted in the existing permit would be in the national interest.

Having provided the information above in accordance with the procedure set forth in 70 Fed. Reg. 30990, KM Cochin hereby respectfully requests that a new Presidential Permit be issued to **Kinder Morgan Cochin, LLC**, reflecting the change in ownership of the Cochin Pipeline and its facilities that cross the U.S./Canadian border in Renville County, North Dakota.



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If you have any questions, please feel free to contact me at the address and telephone number provided above.

Sincerely,

eter R. Steenland

cc: David Huitema, Esq.

Office of the Legal Advisor

Attachments:

1. 1974 Presidential Permit

2. Corporate Organization Chart

3. Cochin Map

4. Aerial Image - First U.S. block valve location

Muited States of America



DEPARTMENT OF STATE

ill to julion these presents shall come, Greeting:

I Crrift That the document hereunto annexed is a true copy of a nit dated June 28, 1974, issued by the Department of State to Dome line Corporation on September 5, 1974, pursuant to Executive Order

hn testimony ulicrent, I, Henry A. Kissinger,

Secretary of State, have hereunto caused the scal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this

day of September , 1974.

Secretary of State

Actina

Authentication Officer, Department of Stale.

Issued pursure 203, 5 USC 1-1943, 62 St. 94 of May 26, 19 and Secs. 104 are 66 St. 174 and 5 USC 140

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is not valid if it is removed or altered in any way whatsoever

U.S. GOVERNMENT PRINTING OFFICE 16-80526-1

PERMIT

AUTHORIZING DOME PIPELINE CORPORATION
TO CONSTRUCT, OPERATE AND MAINTAIN A
PETROLEUM PIPELINE AT THE INTERNATIONAL
BOUNDARY LINE BETWEEN THE UNITED STATES
AND CANADA

By virtue of the authority vested in me as Under Secretary of State for Political Affairs of the United States pursuant to Executive Order 11423 of August 16, 1968 and to Department of State Delegation of Authority No. 118-1 of April 11, 1973, and subject to the acceptance of the conditions, provisions and requirements hereinafter set forth, permission is hereby granted to Dome Pipeline Corporation, a Delaware Corporation having its main office at Bismarck, North Dakota (hereinafter referred to as "permittee"), to construct, operate and maintain a pipeline as a common carrier for the transport of light liquid hydrocarbons across the international boundary line between the United States and Canada at a point in Renville County, North Dakota, and to connect that pipeline with like facilities in Canada.

The term "facilities" as used in this permit means the pipeline and any land, structures, installations or equipment appurtenant thereto:

The term "United States facilities" as used in this permit means that part of the facilities in the United States.

The United States facilities, covered by and subject to this permit, are described as follows:

One 12.75 inch O.D. and one 10.75 inch O.D. pipeline constructed to American Petroleum Institute specifications 5 LX, and any land, structures, installations, or equipment appurtenant thereto, extending from the international boundary line between the United States and Canada at a point in Renville County, North Dakota, in the east half of fractional section 29, township 164 north, range 84 west, through the States of North Dakota, Minnesota, Iowa, Illinois, Indiana, Ohio and Michigan.

This permit is subject to the following conditions:

Article 1. It is expressly agreed by the permittee that the United States facilities and operations herein described shall be subject to all the conditions, provisions and requirements of this permit or any amendment thereof, further that this permit may be terminated at the will of the Secretary of State of the United States or his delegate or may be amended by the Secretary of State of the United States or his delegate at will or upon proper application therefor, further that the permittee shall make no substantial change in the location of the United States facilities or in the operation authorized by this permit until such changes shall have been approved by the Secretary of State of the United States or his delegate.

Article 2. The construction, connection, operation, and maintenance of the United States facilities shall be subject to inspection and approval by the representatives of any Federal or State agency concerned. The permittee shall allow duly authorized officers and employees of such agencies free and unrestricted access to said facilities in the performance of their official duties.

Article 3. Permittee shall comply with all applicable Federal and State laws and regulations regarding the construction, operation and maintenance of the United States facilities, and with all applicable industrial codes, including, but not limited to those codes, standards and regulations specified in Appendix 14 to Part III of the application submitted to the Secretary of State by Dome Pipeline Corporation and dated October 31, 1973. Without limiting the generality of the foregoing, permittee shall comply with the American Petroloum Institute Standard 5 LX Specification for High-Test Pipeline; Department of Transportation REgulations 49 CFR, Part 195, "Transportation of Liquids by Pipeline"; and the American National Standard Code for Pressure Piping, "Liquid Petroleum Transportation Piping System, " ANSI B 31.4.

Article 4. Permittee shall utilize the U.S. facilities for the transport of light liquid hydrocarbons such as ethane, propane, butane, ethylene and light condensates as a common carrier. Permittee shall not utilize the U.S. facilities for the transport of crude oil.

Article 5. Upon the termination, revocation, or surrender of this permit, the United States facilities in the immediate vicinity of the international boundary line shall be removed by and at the expense of the permittee within such time as the Secretary of State of the United States or his delegate may specify. Upon failure of the permittee to remove this portion of the United States facilities as ordered, the Secretary of State of the United States or his delegate may direct that possession of such facilities be taken and that they be removed at the expense of the permittee; and the permittee shall have no claim for damages by reason of such possession or removal.

Article 6. If, in the future, it should appear to the Secretary of the Army that any facilities or operations permitted hercunder cause unreasonable obstructions to the free navigation of any of the navigable waters of the United States, permittee may be required, upon notice from the Secretary of the Army, to remove or alter such of the facilities as are owned by it so as to render navigation through such waters free and unobstructed.

Article 7. The transportation of any matter through the United States facilities shall be in all respects subject to the power of Congress under its authority to regulate commerce as applied to the business of this permittee.

Article 8. This permit is subject to the limitations, terms and conditions contained in any orders issued by any competent agency of the United States Government with respect to the United States facilities, and shall continue in force and effect only so long as the permittee shall continue the operations hereby authorized in exact accordance with such limitations, terms and conditions.

Article 9. The permittee agrees that when, in the opinion of the President of the United States, the national security of the United States demands it, due notice being given by the Secretary of State of the United States or his delegate, the United States shall have the right to enter upon and take possession of any of the United States facilities or parts thereof; to retain possession, management and control thereof for such length of time as may appear to the President to be necessary to accomplish said purposes; and thereafter to restore possession and control to the permittee. In the event that the United States shall exercise such right, it shall pay to the

permittee just and fair compensation for the use of such United States facilities upon the basis of a reasonable profit under the circumstances, and the cost of restoring said facilities to as good condition as existed at the time of entering and taking over the same, less the reasonable value of any improvements that may have been made by the United States.

Article 10. In the event of transfer of the United States facilities or any part thereof, this permit shall continue in effect temporarily for a reasonable time pending the making of an application by the transferce for a permanent permit and decision thereon, provided that notice of such transfer is given promptly in writing to the Department of State of the United States accompanied by a statement by the transferee under oath that the United States facilities and the operation and maintenance thereof authorized by this permit will remain substantially the same as before the transfer pending issuance to the transferee of a new permit.

- Article 11. (1) The permittee shall maintain the United States facilities and every part thereof in a condition of good repair for their safe operation.
- (2) The permittee shall take necessary precautions to prevent and suppress fires, explosions or leakage and to avert any conditions on the land traversed or waters affected by the United States facilities which might endanger the safety of these facilities.
- (3) The permittee shall save harmless the United States from any claimed or adjudged liability arising out of the construction, operation, or maintenance of the facilities.
- Article 12. The permittee shall acquire such right-of-way grants, easements, permits and other authorizations as may become necessary and appropriate.
- Article 13. Permittee shall furnish, install, and maintain in the above-described pipeline system, at a point as near to the international boundary line as is practicable, a meter or meters, provided with an adequate proving system and a suitable sampling device, all to be installed and operated in accordance with the applicable code of the American Petroleum Institute. The installation and operation of said meters, proving system, and sampling device shall be subject to the approval of the Commissioner

of Customs. The conditions and times of meter reading, meter proving, and sampling shall be as directed by the Commissioner of Customs.

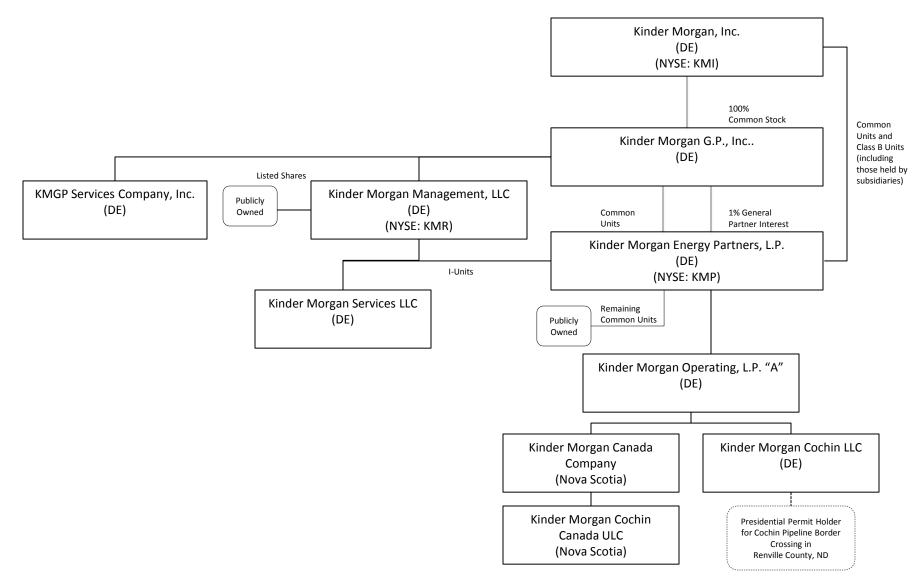
Article 14. The permittee agrees to file with the appropriate agencies of the Government of the United States such statements or reports under oath with respect to the United States facilities, and/or permittee's activities and operations in connection therewith, as are now or as may hereafter be required under any laws or regulations of the Government of the United States or its agencies.

Article 15. The permittee shall send notice to the Department of State of the United States at such time as the connection authorized by this permit is made at the international boundary line between the United States facilities and the facilities located in Canada.

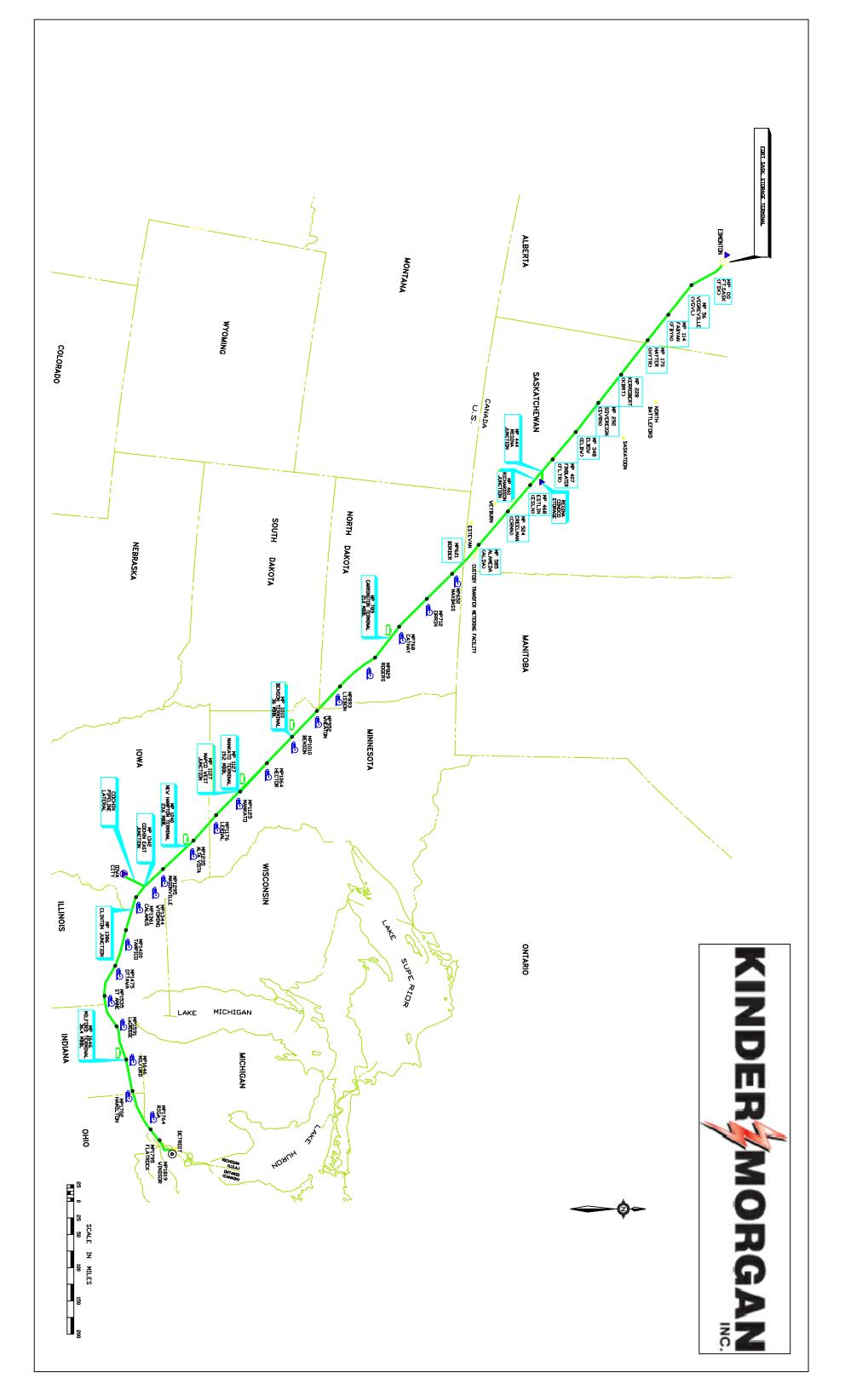
IN WITNESS WHEREOF, I, Joseph J. Sisco, Under Secretary for Political Affairs of the United States, have hereunto set my hand this 28th day of June, 1974, in the City of Washington, District of Columbia.

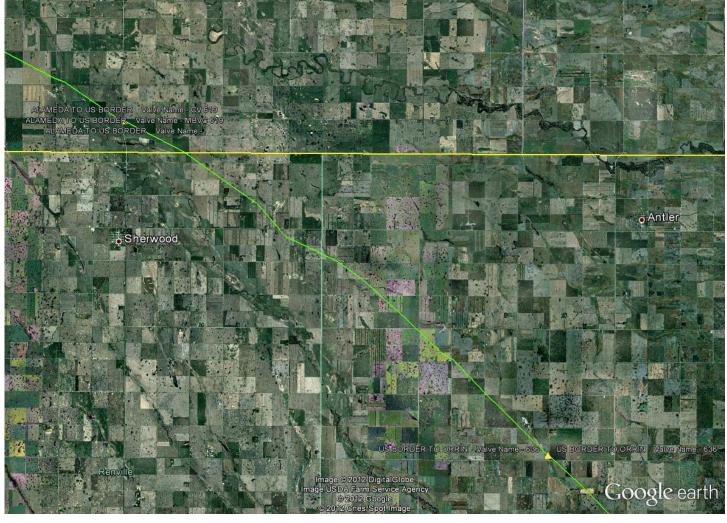
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Kinder Morgan Energy Partners, L.P. Organizational Chart Showing Ownership of Cochin Pipeline*



^{*} This is a simplified org chart – For details see KMP's SEC Reports on forms 10-K, 10Q, and 8-K, which can be found at http://www.kindermorgan.com/investor/kmp_sec_filings.cfm





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